First Submission

Boston Redevelopment Authority.

Reply to Mass. D.C.A. on Park Plaza project. June 13, 1972.

Boston Redevelopment Authority

Robert T. Kenney / Director

City Hall
Room 900, 1 City Hall Square
Boston, Massachusetts 02201
Telephone (617) 722-4300

JUN 13 1972

Commissioner Miles Mahoney
Department of Community Affairs
Leverett Saltonstall Building
100 Cambridge Street
Boston, Massachusetts 02202

Dear Commissioner Mahoney:

This letter is submitted in response to your letter dated June 9, 1972, informing me of your decision to disapprove the Park Plaza Urban Renewal Plan (the "Plan"). Pursuant to the provisions of G.L. c.121B, section 48, I urgently request that you reconsider your decision disapproving a project which this agency, the Mayor, City Council and your agency state is so vital to the future of Boston.

Reference is made to the evidence previously put before you, much of which is responsive to your questions. We believe, based upon the questions you have raised that the Department's decision ignores the evidence previously submitted and that, based upon the preponderance of the evidence, only a decision to approve can be reached.

Specific reference is made to the record of my testimony presented on April 11, 1972 and my letters of April 24 and May 16, 1972. Further supporting data is set forth below. I urge you to reconsider the record before you and to approve the Plan.

I. The project area would not by private enterprise alone and without either government subsidy or the exercise of governmental powers be made available for urban renewal.

Although recognizing that you have made the necessary finding, its significance should be underscored. The Legislature has declared urban renewal to be a public purpose. It has declared that decadent, substandard and blighted open areas are injurious and inimical to the welfare of the people (G.L. c. 121B

section 45), that the redevelopment of land in such areas in accordance with a comprehensive plan is necessary (G.L. c. 121B section 45), and that the activities engaged in by a redevelopment authority to achieve these ends "are public uses and purposes" (G.L. c. 121B section 45). G.L. c. 121B section 45 further states:

> The necessity in the public interest for the provisions of this chapter relating to urban renewal projects is hereby declared as a matter of legislative determination.

Given this legislative determination, it seems particularly appropriate to us to note than since (1) private enterprise alone has been unable to redevelop the area (Kenney Testimony, February 9, 1972) and (2) it is a matter of common knowledge that government subsidies are unavailable, innovative and creative measures are necessary <u>if the area is to be redeveloped at all</u>. Without innovation such as is contained in the Plan, there will be no further rejuvenation of our City in the foreseeable future. Your review of the Plan fails to recognize this most logical implication.

II. <u>The proposed land uses and building requirements in the project area will afford maximum opportunity to privately financed urban renewal consistant with the sound needs of the locality as a whole</u>.

The Department has misconstrued certain statutory findings, in reaching its decision. In finding that the proposed land uses and building requirements are not consistent with the sound needs of the locality, as a whole, the Department implies the use of a definition of locality which is limited to the immediate area of Park Plaza. Historically, and as a matter of law, the locality has been defined in terms of the City as a whole. The Legislature cannot have intended that the Department, a State agency, have the responsibility for determining the sound needs of Boston as a whole. This determination must necessarily be made by the Authority, the City, the Mayor and other <u>local</u> organizations and concerned groups. The Authority, by special act of the Legislature, is the duly designated plannning agent for the City and has the primary statutory duty to determine city needs and to prepare a general

plan for the City as a whole. More specifically, the Authority has the statutory power to (1) "to conduct investigations, make studies, surveys and plans and disseminate information relative to community development, including desirable patterns for land use and communtiy growth" and (2) "to develop test and report methods and techniques and carry out demonstrations for the prevention and elimination of slums and urban blight" (G.L. c. 121B section 46).

The Authority, the Mayor of Boston, and the Boston City Council have determined that the objectives of the Plan are consistent with the sound needs of the Boston community. These needs have been defined in the Final Projec Report submitted to you:

A. Basic Objectives

The basic objectives of the Park Plaza Urban Renewal Plan are:

1. To provide a new "intown" residential community in the heart of the city.
2. To provide a higher economic use to replace an existing under-utilized area.
3. To eliminate blighted conditions.
4. To increase the tax revenue by a more intensive development of the area.
5. To prevent the haphazard redevelopment of this important sector of Boston which would occur through unplanned renewal based upon the present street layout and pattern of privately-owned parcels.

B. Planning Objectives

Planning objectives include the following:

1. To provide a lively mixture of mutually reinforcing uses with emphasis on residential and daytime plus evening activity.

2. To integrate, as to scale and activity, the new development with the surrounding areas -- especially in the relationship of the buildings and uses along Boylston Street to the adjacent Boston Common and Public Garden.

3. To provide multi level attractive and continuous pedestrian areas through the Project with maximum separation and convenient interfacing with other transporation modes (transit, taxi, auto, pedestrian).

4. To eliminate excess and confusing roadways and replace them with an efficient, safe, and adequate new road system based on the overall proposed downtown traffic plan.

C. Building Design Objectives

The general design objectives are:

1. To create multi-use new structures, with the lower elements built close to the street lines so as to maintain the urban character.

2. To provide a series of high-rise structures spaced apart as a continuation of the "high spine" of Boston.

3. To build with materials whose color and scale relate well to the existing Boston architecture of Back Bay, Beacon Hill, and Bay Village.

4. To create a new and pleasant environment within the public and semipublic areas to maximize the use of such areas and add a new dimension to the downtown commercial and entertainment areas.

The Authority, the Mayor and the Boston City Council have determined that he Park Plaza Project fulfill these needs. A wide spectrum of community roups such as the Back Bay Association, Chamber of Commerce. Municipal esearch Bureau, and virtually all major Boston newspapers and broadcasters ave supported this determination. Nowwithstanding this support the Department,

an agency with no identifiable professional planning or design staff contends that the plan fails to meet the sound needs of the City.

In referring to the integration, scale and activity of the proposed development, with the surrounding area, the Department is attempting to make a judgment on what is a design issue, clearly not a finding they are authorized to make.

A. The proposed development will be integrated as to scale with the surrounding areas.

The scale of development proposed for Park Plaza is entirely consistent with the guidelines which have been established for new development in the City of Boston. These guidelines call for intense development along what is known as the high spine, a linear corridor paralleing Boylston Street from Prudential Center to Washington Street and then turning north through the financial district to the Government Center roughly co-including with the main rapid transit routes. The Prudential Center, the New and Old Hancock Buildings, and the Tufts New England Medical Center are elements already in place on the east-west arm of this corridor.

Additional controls have been imposed to insure that the Plan respects scale on a more intimate or pedestrian level. For example, except for less than 20% of the frontage where towers emerge, the cornice height along Boylston Street has been limited to 125' coinciding with the heights of the older buildings which will remain.

The architectural plan has been reviewed and endorsed by the Design Advisory Committee to the Authority (a group of eminent local architects) and the Boston Society of Architects. The Authority review will continue throughout the period of redevelopment. (Kenney Testimony, April 11, 1972). To this end the Authority has insisted upon a design review process which includes approval of final drawings before construction commences.

B. The proposed development will be integrated as to activity with the surrounding areas.

The areas surrounding Park Plaza contain a wide mix of activities. To the west one finds the important retail district of Boylston and Newbury Streets, office buildings along Boylston Street, in Copley Square and in the Prudential Center, hotels, and the residential areas of Back Bay. To the north, on the other side of the Public Garden and Common, are the residences of Beacon Hill. To the east and northeast are the major downtown retail district, older office buildings, and the new office towers of the financial district. To the south are two hotels, the Bay Village residential area, theatres and a new medical complex.

It is entirely appropriate, indeed essential, to insert into this varied use a multi-use complex with major elements reflecting almost all the uses found in its immediately adjacent neighborhoods. In fact, this new development will become an integrating and mixing element providing a transistion from one surroundin neighborhood to the next.

It is interesting to note that the Department's conclusion that Park Plaza is not integrated into its surroundings is not shared by:

1. The Back Bay Association, Back Bay Federation, and Neighborhood Association of Back Bay, all of which have been strong advocates of Park Plaza.
2. The Retail Trade Board and such major retailers as Filene's and Jordan Marsh which have stressed the Project's importance to existing retail areas.
3. The Chamber of Commerce and Real Estate Board both of which have recognized the benefits offered by the project to surrounding business and property owners.

C. The project will not have a detrimental effect on the Boston Common and Garden or the surrounding environment.

The effect of Park Plaza on the Boston Common and Public Garden has been the subject of considerable study and discussion. (e.g., Testimony of Kenney, April 11, 1972; Boston City Council Hearings). Contrary to the Department's unsubstantiated claim that these problems were not explored prior to the undertaking of this development, the protection of the Common and Public Garden has long been a vital concern of the Authority and the City. Shadow and wind effects have been carefully studied and reviewed before the Authority, the City Council and the Department.

Shadows for example, will make almost no penetration during the late spring and summer, will have only a minor effect in the early spring and fall (less than 5% coverage at any one time with the area covered changing continually throughout the day), and will cover significant but changing portions of these parks only during late November, December and January, when park usage is lowest and no growth takes place. A series of nine diagrams indicating the shadows at various times of the day and dates of the year, prepared by Davis, Brody and Associates, documents these conclusions (City Council hearings).

While it is true that tall buildings alter and amplify wind currents, these effects can be predicted through wind tunnel tests conducted during the design process and controlled accordingly. The Authority has made this a requirement of the design review process.

Most experts, including those testifying on behalf of the Friends of the Public Garden, agree that the shadow and wind effects are not sufficient to warrant rejection of the project. Review of the design and its effects in the adjacent public areas will continue throughout the design review process. The developer will be required to take the necessary steps to protect the surrounding environment. A consultant has been retained to

odel, measure and provide control recommendations on wind factors. A andscape architect is studying the construction and maintenance require- ents of the Garden and Common, and the City is pledged to carry out a estoration program over the next few years. While Park Plaza has focused ttention on the Public Garden and Common, these areas need attention and nvestment whether or not this Plan is approved.

It is not Park Plaza but rather inattention which represents a real hreat to their future. To this end the Authority has required the developer o invest a portion of the project's art fund, amounting to 1% of the total onstruction costs, in improvements to the Public Garden and Common, a fact he Department seems to ignore. The Authority has engaged Carol R. Johnson nd Associates to take the first major step in protecting the Garden and ommon. This study will specifically identify existing conditions and pro- lems, and set priorities for the City to take affirmative actions.

With respect to environmental impact, proposals have been received rom several ecologists, one of whom will be retained to perform a con- nual review of the environmental impact of the project.

The amount of low and moderate income housing is consistent with the redevelopment proposed and the sound needs of Boston.

In recognizing the economic significance of Park Plaza, the Authority s not ignored the City's overall need for low and moderate income housing; has encouraged the construction of over 3,200 units in areas contiguous Park Plaza. The amount of low and moderate income housing to be con- ructed by the redeveloper is not limited in any of the agreements. The ximum feasible amount of such housing which is consistent with the needs the City will be constructed. It is obvious, however, that any demand r low and moderate income housing must be related to the services and cilities available to support that housing.

It also has been long apparent that Boston has a need both for low ncome housing and moderate-high income housing, and for nonresidential s well as residential projects. To condition urban renewal plan approval o the number of units of low income housing overlooks these considerations nd ignores the Authority's duty to provide for all of the needs of the ocality.

In evaluating the needs of the locality as a whole, consideration must e given to economic as well as social and physical factors. In addition o renewing a blighted and decadent area in the heart of the City, the Project ill bring dramatic advances in housing, over 7,500 jobs, and taxes in xcess of $4 million.

In the first stage of development, 1600 new housing units will be onstructed; this will result in a population increase of approximately ,000 people. The Authority's Research Department, in a survey of the udential and Charles River Bank Apartment, found that 60% of the people o moved into the developments were from outside of Boston. On that sis approximately 2,400 new people shall be added thereby helping to verse earlier patterns of wholesale migration from the City, and continue e growth of Boston's service oriented economy.

More importantly, these new people will represent the income level that necessary to the survival of the City. The survey showed that only 16% the new population earned less than $10,000 a year and concluded that he objective of building high-rise apartments in the City to expand the x base of the City by bringing in middle and upper income people was in ct accomplished."

Western International Hotels one of the finest chains in the country, s signed a commitment for the projected hotel.

The project will create new utilities which will replace existing sewer and water systems installed as early as the 19th century, a new street network replacing the confusing, dangerous roads now in the area, and a new pedestrian circulation system linking Back Bay and Downtown with an enclosed climate controlled path separated from traffic.

In summary, your determination is to decide if this Plan, when weighed against the previously determined needs of the City "affords maximum opportunity to privately financed urban renewal." If it affords that opportunity and is not inconsistent with Boston's needs, a positive finding should be made. We ask you not to develop a new set of priorities for Boston but rather to weigh this "maximum opportunity" against those needs as they have been determined by the Authority with the full concurrence and support of the Mayor, City Council and such other organizations as:

Neighborhood Association of Back Bay

Back Bay Federation

Back Bay Association

Boston Chamber of Commerce

Boston Society of Architects

Greater Boston Real Estate Board

Municipal Research Bureau

Boston Globe

Boston Herald Traveler

Boston Record American

WBZ TV and Radio

WCVB

II The financial plan is sound.

The material submitted by the Authority to the Department of Community Affairs includes a sound financial plan, within the meaning of the statute.

In general, when an urban renewal plan has been presented to the Department for its approval under G.L. c. 121B, 48, and the predecessor statute, the presentation of the financial plan has considered almost entirely of the types and amounts of federal, state and municipal assistance proposed for property acquisition, relocation, demolition of existing improvements and relocation of streets and utilities. Nothing is to be found in the usual presentation relative to the financing of the redevelopment itself, since the form of financing for new construction will depend upon the developer, the market conditions at the time a developer undertakes renewal, and the type of financing available to that developer. Financing for the actual construction of the project area has not been considered to be a part of the financial plan, in any previous submission to the Department.

The Department suggests that validated estimates of land acquistion, demolition, and relocation costs are necessary for a sound financial plan. This is both unnecessary and impractical at this time. The protective provisions of the Financing Plan preclude any acquisition without the necessary monies being in hand. More importantly, unlike other projects where some indication of the costs are necessary upon submission to the State, because the State is concurring in these expenses and committing to pay a proportionate share of the project costs, Park Plaza requires no concurrence, or agreement of the State to pay any costs. In this respect, the State has again demonstrated a reluctance to adapt its thinking and its processes and an inability to appreciate the concept of private urban renewal.

The Department overlooks, by failing to mention the $6.8 million allocated

by the City of Boston to prepare the public ways, that the costs of streets and utilities have been estimated.

In federally-funded urban renewal projects, the federal government provides financing for the land acquisition, demolition and relocation, and where private development takes place on this land the private developer obtains the financing for the individual project or building. Often, a legally binding federal funding commitment is not available for the land, at the time of the urban renewal approval and in virtually all situations the private developer's commitments are unavailable prior to approval of the project.

The same pattern of financing is present in this Plan, with the important distinction that the federal government cannot be a source of funding for land acquistion because of the unavailability of federal funds for downtown urban renewal. Instead, in Park Plaza, the financial plan must be to look to private capital for all land costs as well as all project costs.

The soundness of this approach is supported by the essential protective restriction that no land acquisition can take place until the private developer has made available to the Authority the funds for the land acquisition, demolition, and the relocation cost, as well as a bond equal to 30% of the unsettled land damage awards. Thus there is absolute assurance of land funding from the private source before acquisition or any public taking.

Furthermore, in the Park Plaza situation an additional measure is included. This is the requirement that the developer provide satisfactory assurances to the Authority of financing commitments for construction as well as acquisition, relocation and demolition. This is a substantial improvement in the Park Plaza financial plan over federally-funded projects.

Moreover, we have offered further evidence of the soundness of the financial plan outlined above, in the form of letters of financial intent from various institutional lenders, who actually determine the ultimate financial feasibility

of the project by their willingness to provide funds.

There are also commitments from the designated developer, Boston Urban Associates (B.U.A.) who has submitted to the Authority evidence of a verifiable net worth of the principals amounting to $10,000.000 and indicating its own resources as follows:

Preliminary planning funding	$ 1,500,000
Equity funding	$ 5,000,000

The Department makes no reference to the signed Letter of Intent from a major hotel chain, Western International Hotels, to invest at least $5,000,000.

There are detailed letters of interest from nationally recognized institutional lenders which express a willingness to lend almost $200,000,000 to finance Park Plaza as follows:

Eastman Dillon, White Weld	$ 120,000,000
Congen ($300,000,000 lead position)	50,000,000
Hotel lender (insists on anonymity)	27,000,000

In addition, there are letters from the following construction or interim lenders:

Chase Manhattan Bank

Morgan Guaranty Trust Co.

Wells Fargo Bank

State Street Bank

First National Bank

The Department states that these letters are now one year old. The Authority can hardly be faulted for the time that has elapsed since it submitted the Plan to the City Council in July of 1971 and to the Department in January of 1972. For the Department to question the validity of these letters without any discussion with the Authority or the Developer of these letters is extraordinary.

Finally, the developers have equity partners who have expressed a willingness to invest in Park Plaza, in the amount of $26,000,000 of additional equity

funds.

As a practical matter, it is impossible to obtain absolutely binding financial commitments without a definite date of construction which is impossible without a certain date of State approval. Nor is it possible to obtain binding final commitments without final figures of land acquisition and building costs which is impossible until after State approval -- for only then can the developer proceed with schematic drawings and final appraisals from which will emerge final cost figures. But once again, given the uncertainty of the timing and fact of approval, and the $500,000 plus costs involved, this cannot be obtained prior to all approvals. Had designs been drawn and appraisals made, they would be outdated by now.

Thus the State's conclusion is completely inaccurate and reflects a failure to review or understand the private development process. There is a financial plan which is sound and the evidence to the maximum degree available at this time, supports this conclusion. In all events, no acquisition can take place without the actual financing for the project being in hand and money is the best proof of sound financing.

The Department misrepresents the provisions of the Letter of Intent regarding real estate taxes. The statement referring to a "satisfactory understanding" on taxes is completely misunderstood. The Assessor of the City of Boston stated before the City Council that the buildings would be taxed at fair cash value. There is no illegal tax agreement. The sentence quoted merely refers to the typical, practical requirement of obtaining the Assessor's estimate of what his assessment would be, because it is an established fact that this is necessary for the financing which determined the economic feasibility. This prior negotiation is necessary as anyone familiar with development will verify, because all financing institutions including the state-aided MHFA and federal HUD require that the tax liability either in dollars or percentage of income be ascertained

prior to any commitment to final construction. The use of gross annual revenue as a basis for calculating real estate taxes is an accepted basis for development. There is not a single important building in this City, and possibly not in the state, constructed in the last 15 years that is not taxed on this basis. Moreover, the Appellate Tax Board of the State has regularly and consistently made its determination of fair market value for the purposes of determining real estate tax burden on the basis of the economic yield of the property, and not upon construction cost, replacement value, or any like measure.

The entire real estate tax approach has been reviewed independently by the Municipal Research Bureau of Boston and found satisfactory and typical of the major buildings constructed in Boston in the last 15 years including low income housing. A transcript of this testimony is included in the record submitted.

D.C.A. is applying a completely new standard in reviewing urban renewal applications by reviewing the financial feasibility of the actual construction. It is going even further in attempting to review the tax basis for this eventual construction. This action subjects the Park Plaza Urban Renewal Project to a standard never previously applied.

The "tax exempt bond issue" has also been misunderstood. It refers only to residential and parking facilities because federal tax laws so limit it. The remaining commercial development, e.g. hotel, retail and office space, including all land acquisition, relocation and demolition pertaining thereto will be financed through conventional means - i.e. typical mortgage financing. Contrary to the Department's statement, legal opinions supporting the legality of the bond issue have been obtained from Foulston-Storrs, Nesson-Csapler, and Bingham, Dana, and Gould.

The Department's decision in this regard places considerable emphasis upon

he necessity for "detailed costs" and firm "financial commitments." Nothing n G.L. c. 121B, applicable regulations, or the past history of urban renewal lans suggests a requirement for such data. Indeed, the Department is imposing n this Plan a standard which did not previously exist. Nor should it exist here your task is to determine the soundness of a financing method.

In summary, the financial plan provides that:

(1) The financial plan is sound - relying on private funding prior to development;

(2) The dunding for land acquisition, demolition, and relocation must be in hand before any acquistion takes place;

(3) The satisfactory commitments of the project financing must also be in hand before any acquistion, thereby assuring development;

(4) Evidence of the soundness of the plan has already been obtained for parcels 1, 2 and 3 in the form of:

a. an interested developer;

b. a hotel tenant committing at least $5,000,000; and

c. letters of interest from institutional lenders amounting from $150,000,000 to $200,000,000; and

(5) The requisite information on the real estate tax assessment is normal in all new construction and is required by governmental agencies and lenders even in moderate and low income housing.

If the State is serious about supporting the concept of privately-financed rban renewal, the above evidence can lead only to the conclusion that sound financial plan.

/. The Project Area is a decadent, substandard or blighted open area.

The Authority takes strong exception to this portion of your letter and o the Department's unsubstantiated statement in its press release that the project area is not the 'decadent, substandard or open blighted area,' as

required by Section 48 of Chapter 121B of the General Laws."

Both statements completely ignore the facts of our submission, my testimony n both the City Council Department hearings, the relevant provisions of law, he Department's actions in the past, and the existing conditions throughout he entire project area.

The following facts should be brought to your attention, because your comments uggest that you were not aware of them when you made your decision:

. The determination of blight is a primary responsibility of the Authority:

he Legislature has delegated to the renewal agency the power to (G.L. c.121B, ection 46): "determine what areas within its jurisdiction constitute decadent, ubstandard or blighted open areas."

ne courts of the Commonwealth and other jurisdictions, including the United tate Supreme Court, have consistently upheld this function of renewal agencies. ne Department has never questioned the Authority's determinations in 17 previous ubmissions. While the Legislature has given the Department certain responsibilities n approving urban renewal projects (G.L. c. 121B Section 48), the Department has ot previosly substituted its role as a finding agency for that of the determining gency. Reasonableness and rationality, if employed in making these findings, ould dictate, at the very least, requesting additional information or clarification ot arbitrary action.

The determination of decadence and blight in the Project Area has already been concurred in by the Department:

The entire area covered by the Park Plaza Project was determined to be a ecadent and blighted area by the Authority in 1965, 1967, 1970, and 1971. These ndings were concurred in by the City of Boston in 1965, 1967, and 1971.

The Department itself concurred in these findings in December, 1965, hen they approved Early Land Acquisition activities in the Central Business istrict. Concurrence, at that time, was based on the Authority's determination of decadence and blight in an area which included the entire area covered the Park Plaza Project. Approval, at that time, authorized eminent domain kings in what is now part of the Park Plaza Project Area.

. The Department has already upheld the methodology employed and surveys carried out by the Authority in making its determinations:

(1) The Department approved early land activities in the Central Business District in 1965. The necessary determinations for these activities were based upon the same 1964 surveys which the Department now questions.

(2) The Department approved three mini-projects in the Central Business District in 1969. The necessary determination for these projects were based upon the same 1964 surveys which the Department now questions.

(3) The Department has approved 17 previous submissions of the Authority. The necessary determination for these submissions were based upon the same methodology, the same type of surveys carried out by the Authority which the Department now chooses to question.

. Applicability of Section XII, Rules and Regulations governing State-aided Urban Renewal Projects, of the Department's Rules and Regulations published December 30, 1971.

The Department's decisions seems based in part upon a determination that ortions of the Plan do not comply with Section XII of the Department's Rules nd Regulations published on December 30, 1971. (See e.g. pages 3 and 8.) These egulations, entitled "Rules and Regulations Governing State-aided Urban Renewal rojects" are specifically limited to state-aided projects and have no applicability o this Plan. The General Introduction to the Regulations states in part:

> "The Massachusetts Department of Community Affairs Division of Community Development is charged with the responsibility for the operation and administration of the State-aided Urban Redevelopment Program as defined under General Laws (Ter. Ed.) Chapter 121B, Sections Fifty-Six and Fifty-Seven." (emphasis added) (page 229).

Section XII of the Regulations was promulgated to implement sections 53-57 f G.L. c. 121B. These sections involve only applications for State-aided urban enewal. Because of the state's financial participation in State-aided projects, here are requirements for "estimated approval cost(s)" (G.L. c. 121B, Section 54) nd other financial information not required in privately-financed urban renewal rojects. Where the locality has not applied for state funds and the project s to be financed only by local and private funds, regulations applicable to

tate-aided" projects have no relevance.

Moreover, even if the Department's rules and regulations do apply, they re not announced until December 30, 1971 and not actually available until ter the Authority had made its submission on January 13, 1972. It would em that if the Authority's submission were considered complete according the rules available at the time of our submission but judged incomplete the new regulations, the Department should have requested additional information, rather than arbitrarily dismissing our determinations because of a ck of information which we could readily have provided.

E The Authority questions the Department's statements about making surveys in the Project Area:

The Department's press release on its findings, stated that the Department d carried out its own surveys and studies in the Project Area.

We question the throughness and significance of any such survey especially view of its failure to release the specific findings or to include them your discussion. Who made the surveys and studies? How and in what depth re they carried out? What are the professional qualifications of those who de them? Is the Department saying that it will now duplicate the wor sume the responsibilities of the local agencies in every application t it?

F The Department's statement that the "Project Area is not 'decadent, substandard or open blighted area,' as required by section 48 or Chapter 121B of the General Laws" is contrary to the facts before you.

In my testimony during the City Council hearings and the Department, ecadent area" G.L. c. 121B was defined as follows:

G.L. C.121B defines a "decadent area" as:

> "an area which is detrimental to safety, health, morals, welfare or sound growth of a community because of the existence of buildings which are out of repair, physically deteriorated, unfit for human habitation, or obsolete, or in need of major maintenance or repair, or because much of the real estate in recent years has been sold or taken for nonpayment of takes or upon foreclosure of mortgages, or because buildings have been torn down and not replaced, and under

existing conditions it is improbable that buildings will be replaced, or because of a substantial change in business or economic conditions, or because of inadequate light, air, or open space, or because of excessive land coverage or because diversity of ownership, irregular lot sizes or obsolete street patterns make it improbable that the area will be redeveloped by the ordinary operations of private enterprise or by reason of any combination of the foregoing conditions."

In testimony at the Department's hearing I cited several examples from ur submission which demonstrates the "decadence" of the area, within the eaning of the statute; those examples are worth restating:

- Authority engineering surveys showed that 68% of the buildings in the project area either are out of repair, physically deteriorated, obsolete or in need of major maintenance and repair. The deficiencies were found to be distributed throughout the Project Area.

- 81% of the buildings in the Project Area were built prior to 1890 and are of non-fireproof construction.

- The buildings at the corner of Park Square and Boylston Street have been torn down for almost a decade now and there is no sign of renewal taking place.

- The project area contains 150 parcels of diverse ownership. It would be most difficult for private ownership to assemble developable parcels.

- In addition, 77% of the parcels are less than 5,000 square feet, including 61% less than 3,000 square feet.

- The diverse ownership, together with the irregular lot sizes plus the obvious obsolete and unworkable street patterns, particularly in the first stage of the project, make it most improbable that the area would be developed by the ordinary operation of private enterprise.

The Department also seems to ignore the substantial evidence presented both i the Authority's submission and in my testimony of environmental deficiencies esent in the Project Area. These environmental deficiencies alone would be ough to qualify the project under Massachusetts urban renewal law.

Following is the Authority's reaction to specific points raised by the partment:

Methodology used in conducting the Building Conditions Survey:

Written guidelines governed the procedures used in conducting both the 1964 and 1970 surveys. A copy of the guidelines used in conducting the surveys was submitted to the Department as part of the survey reports.

Validity of Survey Results:

a. The validity of the 1964 survey has been previously confirmed in view of the fact that the Department accepted it in approving early land activitie in the Central Business District in 1965 and in three mini-projects in the Central Business District in 1969. The same 1964 survey was the basis for these renewal activities.

b. The Authority has not relied solely upon investigation by its own staff. Charles T. Main, an independent engineering firm, confirmed these findings. The objectivity and the validity of its findings appear to us to be beyond question.

c. The 1970 survey was carried out and evaluated by the engineering staff of the Authority.

Whether the Project Area meets the requirements for clearance and redevelopment:

The Authority's submission demonstrates that the requirements for clearance and redevelopment are met. The survey results which shows that the Project Area meets the requirements of Section XII of the Department's Rules and Regulations, dated December 30, 1971.

Reliability of surveys 8 years old:

a. The Department considered these survey results to be reliable in 1969 when it approved, based upon the same survey, 3 mini-projects in the Central Business District.

b. Even the most cursory visual inspection reveals that the area has not been upgraded since 1964; if anything, further decadence and blight have set in.

c. The Authority, however, has not relied entirely upon the 1964 survey. As we stated in our submission, new surveys were carried out in 1970.

5. No information is provided as to what were the final Building Conditions ratings of the individual buildings:

a. In 1964 each Building Survey Form requested by and furnished to the Department contained a final building condition rating.

b. The guidelines for surveying the buildings are part of the building conditions documents submitted.

c. The ratings obviously were made after the survey was carried out in 1964 and before the Authority's determination in 1965. The evaluations were made by the professional chief planner and architect for the Central Business District Project.

d. Had it been requested, we would have supplied additional information not requested by the statute.

6. Copies of Victor Gruen Report:

The submission of this report was not required or requested.

7. Reliability of the 1970 Resurvey (5/27/70) memorandum:

No request has been made for the building permits or the building condition survey forms referred to; nor were they required to be submitted.

8. Questioning of June, 1970 Resurvey (6/15/70) memorandum:

a. The Survey Guidelines submitted with the Building Conditions Survey Forms define building. A survey form may cover more than one building. 61 buildings were surveyed on the 53 forms submitted you.

b. In this survey the overall Building Conditions Ratings were recorded on a separate document.

c. The Authority's submission combines both structurally substandard buildings and buildings warranting clearance because of blighting influences on one map under the designation "buildings warranting clearance." These maps were prepared prior to the promulgation of the Department's Regulation No request for clarification was ever received.

9. Questioning of the August, 1971 Resurvey Upgrading (8/14/71) memorandum:

a. The specific permits and building identification were neither required nor requested.

b. Because of the unavailability of the Department's new rules and regulations the Authority did not indicate the precise buildings which contain blighting influences. However, our submission did contain evidence of the overwhelming existence of blighting influences throughout the entire Project Area. Further evidence of this blight was offered in testimony by the Authority and others before the City Council and the Department.

10. Lack of statement that urban renewal plan objectives cannot be achieved through rehabilitation:

Pages 5-10 of the supporting documentation demonstrate that the objectives of the Plan cannot be achieved by rehabilitation. Moreover, the Plan as a whole reflects the lack of investment in the area in the past and the dim prospects for rehabilitation in the future.

11. Data establishing that all parts of the Project Area meet the criteria of clearance and redevelopment:

The renewal plan, additional material submitted and oral testimony are evidence that the Project Area meets the eligibility requirements for clearance and redevelopment activities, whether the criteria of federal guidelines, G.L. c. 121B, or the Department's rules and regulations promulgated after our submission of the project. As the updating of our

surveys shows, there has been no amelioration of the conditions in the Park Plaza Area; on the contrary, decadence and blight continue to spread.

You have suggested that the Department's decision might have been different if the Authority had chosen a 121A Limited Dividend project. If a 121A Application would have been an acceptable alternative, it follows that the area is a substandard, blighted, decadent area since the determination of eligibility is the same. Moreover, to suggest that Plan approval might have been forthcoming if more low income housing were included, concede area qualifies for renewal. Qualification for renewal is dependen present conditions of the area and not upon the proposed reuse.

The urban renewal plan is sufficiently complete, as required by section 1 of G.L. C.121B.

To be "sufficiently complete" a plan must indicate (G.L. c. 121B section 1):

1. the boundaries of the area;
2. such land acquisition, such demolition, removal and rehabilitation, and such redevelopment as may be proposed to be carried out within such area; and
3. proposed land uses, maximum densities and building requirements.

The Plan must only indicate that redevelopment proposed to be carried out within the total area designated. Quite obviously, not every parcel or building within the area must be scheduled for activity.

This Plan does not propose current demolition and redevelopment of Parcels D and E. Thus, no provisions for financing and relocation are included for such activities. It does propose, as the statute expressly allows, that they be included within "the boundaries of the area" and subjected to certain land uses, densities and building requirements. Our staff has determined that once the redevelopment of Parcels A, B, and C commences, acceptable and feasible proposals for the redevelopment of Parcels D and E will be

received. At that time, plans for their redevelopment, a revised financing plan and a new relocation plan covering activities in Parcels D and E will be submitted to the Mayor, the City Council and the Department for approval.

The Department maintains that a plan with variable boundaries is not acceptable; however, it concedes that the condition subsequent is solely within the control of the Authority. There is nothing in the statute that precludes a project from having variable boundaries and in the context of Park Plaza since the Authority is specifically excluded by the terms of the Urban Renewal Plan and the Relocation Plan for engaging in any activities in Parcels D and E and because each area qualifies for renewal there is no legal effect from the addition or deletions of these Parcels. More importantly since the Authority unilaterally has the power to alleviate this condition it is totally unrealistic for the Department to consider that the Authority will jeopardize the certainty of the project boundaries. Also, for the Department to establish a new position that requires a final irrevocable boundary description would rule out the legal procedures set out in their own regulations that provide for modification to urban renewal plans including changes in project boundaries.

The Department states that the inclusion of the developer in the appraisal process is contrary to the public interest. As a close reading of the Letter of Intent would indicate the Authority is only consulting with Urban relative to the appraisal process. Once again this is an example of the Department's inability or inflexibility in adjusting their analysis from the conventional urban renewal project. The appraisal process does not involve the developer, it is simply the same process followed in other projects where the financial source must approve the contract and the timing of expenditures. In other projects, the Federal Government is the financial source giving this concurrence. The developer has the same need to know when the Authority is

making expenditures on their account. The Authority is not delegating any of its control over protecting the impartiality of the appraisal process nor of protecting the public interest; it is simply a method of communication with the financial source responsible to fund the project.

VI. The relocation plan qualifies for approval under G.L. c. 79A.

It is regrettable that the Bureau apparently changed its long-standing practice of submitting questions for clarification to the Authority prior to reaching its decision. The Authority's response to the Department's findings in reviewing the relocation plan and the request for agency qualification under Chapter 79A are detailed in Appendix A of this letter. In summary, this response includes the following which is referenced to your letter.

Relocation - Refusal for agency qualification.

The Bureau of Relocation failed to comply with Chapter 79A and notify the Authority within three weeks of its decision, together with its reasons for refusing qualification. If it had communicated its concerns at the earlier time, the Authority could long since have cleared up these misunderstandings, particularly since 8 of the 16 reasons given are identical to objections against the Relocation Plan and 4 more are directly related to major objections to the Urban Renewal Plan and Relocation Plan.

Section 4101 - 4103.2

The Authority contests relevance of Bureau insistence upon inclusion here of data relative to Parcels D and E, sufficient legal authority, and adequate financing.

Section 4103.3

The Authority points out that statements and implied judgement for proposed project staff/caseload ratios are unrealistic. In light of both the large staff and long experience of the Authority, the Authority is competent to

make its own determinations relative to hiring, transferring, and reassignmen of relocation staff.

Section 4103.4

The Authority feels the Bureau should not have noted an objection to the Relocation Plan as an apparent reason for refusing qualification, since, as t Bureau itself points out, there are only two grounds relative to a determination of agency standing in the community. The Bureau noted no objections either to past performance by the B.R.A., or by community groups or civic organizations.

Section 4201.10

The B.R.A. questions the purpose of the Bureau in holding an "informal hearing" on the Relocation Plan less than 24 hours before the public release of a 10-page, single-spaced commentary on the Relocation Plan, and cannot understand why the Bureau made no earlier attempt to resolve any questions with the Authority despite offers to meet for these purposes by the Authority, and in contrast to previous Bureau practice.

RELOCATION PLAN REVIEW - SUMMARY OF BRA RESPONSE

A-1 Relocation Plan was criticized throughout for omission of information on Parcels D and E; however, no acquisition or displacement in that area is contemplated by the BRA at this time. If plans change, at a later date, submission would be made to the Authority Board, City Council, Department of Community Affairs, and its Bureau of Relocation.

A-2 The Bureau's concern over insufficient guarantee of relocation payment funds is met by further explanation of the project, pointing out that acquisition would not begin until funding becomes available, that the Authority would itself make payments to displaced occupants and that both the City Council and the developers have agreed to share the additional costs of higher level payments under the Uniform Relocation Assistance Act.

A-3 The Bureau's impression that occupants would apparently have only six months

to move is corrected - BRA will open a site office and begin working with clients immediately after project approval. This will afford a longer period for planning and assistance for occupants.

A-4-6 B.R.A. points out to Bureau that requirement that three suitable referrals be made prior to eviction on one particular ground has been a long standing practice of the Authority and that such assurance is contained in the Relocation Plan, as well as the Family and Business Relocation Guide attached to the Relocation Plan.

B. Bureau is referred to specific sections of May 16 submission with precise figures and comments upon size of relocation caseload.

C. BRA clarifies Bureau remarks on development and displacement staging which affect date of displacement.

D-1-2 Bureau request for more detailed analysis of relocation needs of every non-residential occupant, including information not specified in Bureau regulations, are described as an undue burden on businessmen prior to the existence of a project. BRA states that Bureau's request for exact rent figures and building equity of each businessman is impractical and also figures as known must remain confidential. Further BRA comments establishing the feasibility of non-residential relocation are included, as well as a willingness to provide further data on ground floor space.

D-3 BRA refers Bureau to contents of Relocation Plan where data pertaining to residents had been included.

E. On the Bureau's statements pertaining to non-residential resources, the BRA disputes the appropriateness of making public certain information obtained in confidence while offering to devise other methods of confirming such data, comments further upon certain "special problems" and refers the Bureau back to the Relocation Plan where full information on housing is included.

F. BRA comments are amplified to reassure Bureau that expressed housing

preferences of 9 households can easily be met, both in terms of cost and location, evidence of which is already contained in the BRA Relocation Plan.

In conclusion, let me emphasize that our submission was far in excess of that provided in any previous submission or that which has ever been required by statute or by the courts of Massachusetts applied here to urban renewal projects. Furthermore, your conclusions fail to consider the unique circumstances of private urban renewal. The City has faith in the concept of privately financed urban renewal. Without it there is no prospect for future redevelopment of the cities.

I hope, therefore that the doubts you express about the project may be resolved by the submission of additional material. Otherwise your decision will substantially kill any further enthusiasm any investor might have for urban renewal in Massachusetts.

Sincerely,

Robert T. Kenney
Director

APPENDIX A

AGENCY QUALIFICATIONS REQUEST REVIEW

The Bureau acknowledged that it received our request for qualification on April 19, 1972, but unfortunately failed to notify the Authority within 3 weeks of its withholding qualification and the reasons for so doing, as required by Chapter 79A.

It is unfortunate that the Bureau did not comply with Chapter 79A and notify the Authority of the Bureau's denial of request for qualification on May 10, 1972. If the Bureau had done so, their full statement would have indicated to the Authority the Bureau's areas of concern. Their statement on qualification dated June 9, 1972, contains 16 items; of these, 8 are exactly the same in the qualification denial and the relocation plan review, and 4 more related directly to major objections to the urban renewal plan.

If the Bureau had acted in a timely manner, the Authority could have cleared up many of the misunderstandings of the Department and the Burea about the Park Plaza Project.

1. Section 4101

*B.O.R. Summary: All names and addresses for D & E must be submitted.

B.R.A.: The request for Qualification could not properly include the names and addresses of occupants of Parcels D and E, since they and those parcels were not "proposed to be displaced" as the Bureau asserts.

2. Section 4102

B.O.R. Summary: B.R.A. is asking for partial qualification because D and E are not included.

B.R.A.: The Bureau of Relocation was requested to qualify the Boston Redevelopment Authority to carry out relocation for only that area specified for displacement within Park Plaza; namely, Parcels A, B, and C.

*B.O.R. - State Bureau of Relocation

3. Section 4103

(a) B.O.R. Summary: Legal questions must be resolved before the Bureau can find the B.R.A. has the legal authority to implement the relocation plan.

B.R.A.: The Bureau's remarks well illustrate the ambiguity of conflicting applicable statutes, to wit, the Department of Community Affairs must find that an acceptable relocation plan has been submitted and approved before it can approve the Urban Renewal Project, while the Bureau has refused to qualify the Boston Redevelopment Authority as a relocation agency or approve the plan because "legal questions are raised by the Department" concerning the Urban Renewal Plan submission. These conflicting statutes create a serious problem for the Bureau and all relocation agencies. The Bureau should obtain legislation to correct these ambiguities and the Authority would be pleased to assist.

(b) 1-8: These items are a repetition of those contained in the relocation plan review, Section A2 a-h and answered elsewhere.

9: B.O.R. Summary: Unclear how administration and staff costs are to be paid. Deficiencies in 1-8 above equally apply to payment of staff.

B.R.A.: Necessary administrative and staff costs are to be paid by the developer.

(c) Section 4103.3

1.) B.O.R. Summary: Family Relocation should have one Relocation Specialist and one Rehousing Specialist working full time on this project. Proposed full time Business Staff of one Senior Specialist, one Specialist and one Secretary, appears grossly inadequate.

B.R.A.: For Family Relocation, it is unrealistic to expect that two full-time relocation workers would be required, full time, for a

minimum of three years, to provide services to 26 households, approximately 90% of whom would not be displaced before the latter part of the project. Instead, the staff would be assigned full-time, as needed, particularly in the latter part of the project.

As to the business caseload, the Bureau has never notified the Authority of any criteria relating to the number of business relocations that a Relocation Specialist should be able to handle in the course of a year. Based on the contemplated time table, it is anticipated that the 2 Specialists to be assigned to the Park Plaza Project, each of whom has approximately 10 years' experience, can handle the expected workload. It has long been an established practice, as Project workloads change, to transfer Business Relocation personnel from one project to another. This results in a well-trained, highly-flexible organization. If in the opinion of the Authority, the circumstances require it, additional staff members would be assigned to Park Plaza.

2.) B.O.R. Summary: It appears Authority does not plan to hire any additional staff. Requests complete Table of Organization of all B.R.A. Relocation Staff in all projects.

B.R.A.: The Boston Redevelopment Authority policy in relation to relocation staffing for a given project appears to have been misunderstood by the Bureau. An Agency cannot always specify far in advance, whether particular staff to be assigned to a given project will be newly hired for that assignment or transferred from other assigments. This is particularly true in the case of agencies as large and experienced as the Boston Redevelopment Authority, which has a combined Relocation Staff of 58 members. The purpose of the Bureau of Relocation

Regulations should be to require an agency to commit an adequate number of staff for a proposed project. The Bureau may then hold an agency responsible for satisfactor performance and provision of those relocation services. Bureau regulations do not appear to require that agencies submit complete relocation personnel rosters for entire departments, when requesting qualification for a particular project.

(d) Section 4103.4

B.O.R. Summary: B.O.R. quotes regulations how Bureau must consider agency standing in community by considering:

A. Opinion of Community Groups and Civic Organizations.

B. Past Performance.

Bureau says objections were raised to relocation plan and would be taken into consideration for qualification.

B.R.A.: Unless the Bureau has an adverse opinion of a Community Group or a Civic Organization that it has not communicated to this Agency, then "A" does not apply.

The Bureau has always qualified this Agency not only for urban renewal projects but also as the Relocation Agency for all other taking agencies, within the City of Boston.

The Bureau states that objections were raised regarding the relocation program and were taken into consideration in the review of the agency qualification. Section 4107 states that a citizen, community group, or civic organization may object to the qualification. It makes no provision for an objection to the Relocation Plan being made a part of the Bureau's decision regarding qualification.

ection 4201.10 Relocation Plan Review

B.O.R. Summary: Bureau held an informal review of relocation plan because of objections to the plan. Bureau has considered these objections in reviewing relocation plan.

B.R.A.: The Authority acknowledges that the Bureau held an informal review of objections to the plan on June 8, 1972. Since disapproval of the plan was announced the following day, there was no meaningful opportunity given to supply detailed responses to those objections. The Authority would like to state that it has always been the practice of the Bureau of Relocation to submit questions and comments for clarification to the Authority, prior to reaching a decision. It is extremely difficult to understand why this long-standing procedure has been changed without prior notice. It was made evident to the Bureau by the Authority, that the Directors of Family and Business Relocation would make themselves available to discuss the Relocation Plan and request for qualification, at any time, at the convenience of the Bureau.

Relocation Plan Review

The Authority notes that the Bureau acknowledges receipt on May 16, 1972, of the new Relocation Plan superseding the January 13, 1972, Relocation Plan.

Throughout the review, the first item in each section, except section B, concerns Parcels D and E. There is no relocation program for Parcels D and E because no acquisition is scheduled. At such time as acquisition is contemplated, the Authority will prepare an amendment to the Plan and submit it to the Boston Redevelopment Authority Board, the Mayor, and the City Council and the Burea of Relocation.

A-2 *B.O.R. Summary: Provisions for relocation payments are not adequate - there must be a guarantee.

B.R.A.: Project is to be financed by Parcels. No taking will be made until the money for acquisition, relocation, and demolition is in the hands of the Boston Redevelopment Authority. This guarantees that relocation payments can be made to firms or individuals being forced to vacate.

Items a-d: Answers to these items are covered in the section dealing with the sound financial plan of the Park Plaza Urban Renewal Plan.

Item e: The relocation claims will be processed and paid by the Boston Redevelopment Authority with funds supplied by the developers.

Item f: The Bureau appears to be concerned over a problem which could not develop; i.e., if no money were available for Parcels B and C to be developed, no acquisition would occur, no relocation would be required, and thus the availability of funds for relocation payments would not be a problem.

*B.O.R. - State Bureau of Relocation.

Item g: The Developers agreed to supply 50% of the additional required funds to enable the Authority to meet the new Uniform Relocation Assistance Act, P1 91-646. The Bureau is referred to the section of the Urban Renewal Plan dealing with the sound financial plan.

Item h: The City Council has not yet been asked to approve a Loan Order for the 50% increased relocation payments. This would be premature, until such time as we have an approved renewal project. However, their passage of vote requiring the highest Federal payment levels is an indication of their willingness to approve such a Loan order, when necessary.
In addition, the City of Boston has entered into a Cooperation Agreement, with the Authority thereby agreeing to provide the additional relocation funds when needed.

. B.O.R. Summary: Bureau questions Letter of Intent and expectation that land will be free of occupants within six months after acquisition.

B.R.A.: The Authority will open a site office following state approval. Relocation staff will commence working with site occupants well in advance of acquisition. This lead time, plus the minimum four month requirement will allow staff far longer than six months to work with the relocatees.

. B.O.R. Summary: Letter of Intent somewhat unclear but may be interpreted that Authority is to begin eviction proceedings upon acquisition.

B.R.A.: The Authority is well aware of the State Law giving an occupant a minimum of four months after acquistion. In addition, relocation staff will be working with occupants long before acquisition as noted above.

. B.O.R. Summary: Bureau wishes to add a paragraph to Letter of Intent stating at least 3 referrals have been given to an occupant.

B.R.A.: The Bureau's attention is called to the Authority's Relocation Plan, Eviction Policy, Page 10, Item 4; Exhibit IIA of the B.R.A Family

Relocation Guide, Section 8; Exhibit IIB, of the B.R.A. Business Relocation Guide, Page 8, Item 4. All 3 references state that eviction can only be undertaken after refusal of 3 or more referrals of suitable space. In reality, the Authority has made it a practice to go far beyond the State's requirements.

3. B. O. R. Summary: Relocation Plan submitted May 16, 1972, does not accurately reflect numbers of site occupants. Bureau compares figures in January 13th Urban Renewal Plan, January 13th Supporting Documentation and May 16th Relocation Plan.

B. R. A.: In view of the Bureau's own written statement of the receipt of the May 16th Plan, superseding the January 13th Plan, the only Relocation Plan before the Bureau is the May 16th Plan. The number of businesses listed in Chart F add up to 205 and are accurate. As to the Bureau's reference to 27 dwelling units, we refer the Bureau to Pages 1 and 2 of the Plan which shows 26 occupied units, containing 8 families, 8 individuals living alone, and 10 households of single individuals sharing an apartment, plus one vacant unit.

. B. O. R. Summary: While a Development Schedule for A, B and C is attached to the Letter of Intent and while "A" may go into development, this would not assure "B" and "C".

B. R. A.: The Bureau recognizes that a Development Schedule exists and should understand that a date of displacement would be more readily ascertainable following State approval.

-2 a, b, c. B. O. R. Summary: The Bureau wants a more rigorous analysis of special location needs of businesses and present rent or present building equity, of every non-residential occupant.

B. R. A.: The Authority calls to the attention of the Bureau, that the comments in this section would require, without prior notice, detailed information which does not appear to be required by the regulations of the Bureau of Relocation. Further, any attempt to obtain such information could place an undue burden on the business owner and/or landlord and an impossible task for the Authority since extensive experience has demonstrated that such detailed information as requested of the Bureau can never be obtained from every occupant in surveys prior to project operation. Anyone familiar with the problems of surveying business firms for a proposed urban renewal project is aware of the difficulties involved. The businessman is sometimes unaware of such things as square footage occupied, relocation area preference, etc. He may, for various reasons, be unwilling to reveal information at such an early point in the formulation of a project. The Authority, who has relocated over 2100 businesses, finds it is impossible to predict accurately, what particular area either in or out of the City, the individual businessman may prefer, or even what price he might be willing to pay, for space available.

The businessman or landlords who do give rental figures, do not expect to have such information made public. To do so would violate the confidential nature of the survey.

We are pleased to submit the following information which may be helpful to the Bureau. The replacement space figures, as shown in the Plan for retail/ground floor space, are within the Back Bay-Downtown Area. The present buildings in Parcels A, B and C are categorized by the Real Estate Community as predominantly C-type buildings. The existing

relocation resources mentioned in the Plan are also predominantly C-type buildings. It has been estimated that approximately 30% of the businesses throughout the State take property losses, rather than move. It is expected that this percentage will increase because of the unlimited property loss payments of the new Uniform Relocation Assistance Act of 1970. As a consequence, it is anticipated that far less space will be required.

While we were unable to obtain square footage information on 48 firms, we will be pleased to submit estimates, if the Bureau so desires. However, it should be noted that the figures of 200,000 square feet of ground floor and 500,000 square feet of upper floor space are more than generous total estimates of space to be displaced.

-2d B. O. R. Summary: The Bureau would like a breakdown of ground floor and upper floor businesses.

B. R. A.: The Authority is willing to comply with this requirement.

3 B. O. R. Summary: The Bureau refers to Family Relocation Requirements.

B. R. A.: The Authority refers the Bureau to Chart A of the Plan which reveals information on income for 12 (not 10) households. It should be noted that the majority of households for which information on income was incomplete were "joint households" where 2 to 5 unrelated individuals were sharing an apartment. Where a relocation worker might obtain information on income for 1 resident of an apartment, a 2nd resident might be unavailable or unwilling to volunteer such information. The confines of Chart A effectively allow only for the entry of figures where complete household income is known; hence, partial information on household income is relegated to "unknown or refused".

The information on average known household income is not irrelevant and

was not intended to be misleading. Since the Family Relocation Department is completely oriented toward the needs and preferences of each individual client household, such composite description are considered useful for background purposes only. It appears that the Bureau may have overlooked the detailed information in Chart A relative to household size, income, number of bedrooms required in units, eligibility for low or moderate income housing. Chart A provides complete information on residential needs based on "present household income (where known), size, composition, tenure and location preference (where given)".

-2, a, b, c, d B. O. R. Summary: The Bureau wants resources specified and they will decide if they are adequate. The specifications must include size, price, etc.

B. R. A.: The relocation plan complies with 4202.2C, which requires the type, quantity and approximate costs. There does not appear to be any requirements in the regulations for the specificity of detail requested by the Bureau. The Authority obtains listings, not only through its own staff, but more importantly, through the cooperation of individual members of the Greater Boston Real Estate Board. The Authority, in order to maintain this relationship agrees to protect the confidential nature of the listings which these Brokers give us. To break this confidence by listing locations of available ground floor locations and/or office space would prove a detriment to our efforts to fully assist business relocatees. The Authority would be more than willing to cooperate with the Bureau in devising means by which the availability of appropriate resources may be confirmed without violating its policy of confidentiality. In relocating over 2100 businesses it has been the continuing policy of the Authority to offer safe, decent and sanitary buildings to relocatees.

E. Special Problems

Although relocation of liquor licenses is difficult, it is not always impossible. In addition, the City of Boston had a Liquor License Retirement Bill, from January, 1966 through 1969. This enabled Licensees, displaced by Urban Renewal to retire their license for a payment up to $10,000. The Mayor recently submitted a new Liquor License Retirement Bill to the Boston City Council. This bill is being actively supported by the Retail Liquor Dealers Association. It is interesting to note than while 83 licenses were being retired because of Urban Renewal, 122 licenses were retired in other parts of the City of Boston, outside of renewal area. These 122 licenses were not eligible for any payment under the Liquor License Retirement Bill.

The Seamen's Friends Society is a difficult relocation problem. Because of the uncertainty of final approval of the Plan, no locations have been offered as yet. The Authority is endeavoring at this time, to ascertain what buildings might be available that are suitable for this unique situation. As soon as some are located, they will be submitted to the Bureau. Efforts have been underway for some time, to achieve the successful relocation of the Bus Terminal.

-2a, B. O. R. Summary: The Bureau questions the availability, location and rental figures for housing the households to be relocated.

B. R. A.: The Boston Redevelopment Authority considers that adequate evidence is presented relative to the availability of decent, safe and sanitary housing, within 25% of gross household income suitable to the needs and preferences of households to be affected. (See Pages 3-5 of the B. R. A. Relocation Plan). The Boston Redevelopment Authority Relocation Plan states on Page 2, that 7 households expressed a preference for relocation within the Back-Bay

Downtown area, 2 specifically for new housing in the South Cove area, and the remainder either had no preference or did not expect to be remaining in Boston. The Plan demonstrates on Page 3, that the 1970 Census reveals tha a substantial supply of standard vacant units exists specifically in the Back Bay-Beacon Hill area (rather than in the City as a whole, as the Bureau states). If only 75% of the newspaper rental listings cited were presumed standard (a proportion considerably below previous Census and Joint Center for Urban Studies reports), the newspaper survey of rental listings in that area would yield almost 3 times the number of decent, safe and sanitary units required by the entire caseload.

a. Chart C of the plan was required by Bureau regulations and demonstrates the anticipated housing needs of all those to be displaced during the same period together with the housing resources expected to be available and thus ameliorating any disruptive or competitive impact when displacement is occurring in more than one project area simultaneously.

   The only 2 moderate income projects directly mentioned or preferred by 2 Park Plaza households were the Tai Tung and Mass. Pike Towers in the South Cove area. The Bureau appears to be misinformed that those 2 projects have been "overcommitted". To date, final selection of tenants has not been made for the Tai Tung development and the application period for Mass Pike Towers has not even opened. The Bureau letter of January 7, 1972 was answered by Mr. Kenney on January 21, 1972, indicating that the concern of overcommittment of units appeared to have been premature. Specific detailed information pertaining to a particular minority group were available in the quarterly report for South Cove submitted for the March 31, 1972 quarter (and previously) although a 2nd letter was not sent to the Bureau by the Authority Relocation Staff to point this out.

b. Chart C does indicate a larger supply of low and moderate income housing to become available in Boston and thus within the means of households at various income ranges. The average costs of units, according to bedroom size listed in the Relocation Plan on Page 3, show that the average rental rate for one-bedroom apartments in the Back Bay-Beacon Hill areas, listed in the newspaper survey was $185 for 33 apartments. In fact, there were included in this average units at the price levels cited by the Bureau ($125-146, $146-167 and $167-187). These were not, of course, assigned to households who would not be moving for several years, but used rather, to demonstrate a steady and continuing supply of appropriate housing expected to be available during the period of displacement.